Transportation

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

[original signed]

Ed Stelmach, *Minister of Transportation*
March 4, 2004

THE MINISTRY

The Ministry of Transportation includes a number of organizations to carry out the department's core business. The department's divisions are Transportation and Civil Engineering, Transportation Safety Services, and Transportation Policy and Planning. Four branches provide support services within the Ministry: Communications, Finance and Business Management, Human Resources, and Information Management. In addition, the position of Director for Transportation Innovation has been established to foster ongoing innovation and improvement.

The Ministry also includes the Transportation Safety Board, which adjudicates on commercial carrier compliance, controls and monitors driver licensing, and is responsible for hearings under the *Railway (Alberta) Act*. Reporting directly to the Minister, the Board was created by combining the former Driver Control Board and Motor Transport Board as a result of the implementation of the *Traffic Safety Act* on May 20, 2003.

LINK TO THE GOVERNMENT BUSINESS PLAN

Transportation directly supports the government's core businesses of *Prosperity, Preservation and Infrastructure* through the goals summarized below. Additional government goals are supported on a non-financial basis.

Goal 7 Alberta will have a prosperous economy.

- Pursue continued coordination of all transportation modes, and work to reduce current transportation barriers.
- Harmonize commercial vehicle standards and encourage improved transportation logistics between Alberta and domestic and international markets.

Goal 9 Alberta will be a fair and safe place to work, live and raise families.

- Improve road user behaviours by continuing to implement the new *Traffic Safety Act* and the new Graduated Driver Licensing Program.
- Manage intervention programs aimed at high risk drivers and develop an aging driver strategy.
- Work with industry and stakeholders to improve commercial carrier driver competency through new driver training programs, hours of service regulations, fatigue management counter measures, and monitoring commercial truck traffic and dangerous goods transport and handling.
- Enhance medically at risk driver monitoring to improve highway safety.
- Manage the condition and operation of provincial highways, in partnership with industry, to ensure safety.

Goal 12 Alberta will have effective and sustainable government owned and supported infrastructure.

- Contribute to the Economic Development Strategy Cross-Ministry Initiative by continuing development of the North-South Trade Corridor and other strategic economic corridor projects and urban corridors, including Calgary and Edmonton ring roads.
- Construct, maintain and improve the provincial highway network, water management infrastructure, and provide funding for water/wastewater treatment facilities.
- Monitor provincial railways to ensure railway infrastructure conforms to standards.
- Lead the Cross-government Capital Planning Initiative in partnership with Alberta Infrastructure.
- Support construction and rehabilitation of the municipal transportation network and water/wastewater facilities through grant funding.

VISION

*Alberta Transportation will be **A Centre of Excellence** for transportation in North America.*

MISSION

Alberta Transportation provides and supports a safe, sustainable transportation network and environmentally safe water and wastewater infrastructure through innovative and cost-effective programs and partnerships.

CORE BUSINESSES

Core Business 1: Manage transportation safety programs
Goal 1 - Improve driver, vehicle, carrier, road, and rail safety.

Core Business 2: Manage the provincial highway network
Goal 2 - Improve the safety, efficiency, and effectiveness of provincial highway infrastructure.

Core Business 3: Develop and preserve water management infrastructure
Goal 3 - Ensure safe and effective water management infrastructure on behalf of Alberta Environment.

Core Business 4: Represent Alberta's interests in transportation policy
Goal 4 - Work with stakeholders and other jurisdictions to develop and promote policies in support of efficient transportation (road, air, rail, and port).

Core Business 5: Partner with Municipalities
Goal 5 - Support municipal transportation and safe water/wastewater infrastructure.

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SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Through its review of external and internal challenges, the Ministry has identified the significant opportunities and challenges described below.

1. New Fiscal Framework

As a result of recommendations made by the Financial Management Commission, the government established a New Fiscal Framework that will introduce a more sustainable way to fund capital projects, provide more stability in the planning and budgeting of capital infrastructure, and reduce the impact of volatile resource revenue.

2. Increasing Traffic Volumes

The amount of traffic in Alberta continues to rise due to an increasing population and a fast growing economy, resulting in major implications for the efficiency of Alberta's roads and safety of Alberta's road users.

3. Environmental Responsibility

Governments, interest groups, and the community in general are increasingly aware of environmental impacts. Transportation ensures sound environmental practices are applied in managing the highway system and developing water management infrastructure, incorporating costs and time to deliver projects into initial project plans.

4. Aging Infrastructure

Preserving the extensive provincial highway network requires a significant annual investment to ensure taxpayer investment is protected. By March 2004, deferred preservation on the provincial highway network is estimated to be at $900 million.

5. Capital Planning Initiative (CPI)

Working to develop effective planning tools and cost-effective ways of rehabilitating and maintaining infrastructure is vital. The CPI, led by Transportation and Infrastructure, will rationalize investment decisions on various types of government owned and supported infrastructure based on physical condition, utilization, and functionality.

6. Technology and Innovation

The Ministry is working to capitalize on the opportunities provided by technology and innovation to keep pace with increasing client expectations for improved services.

7. Demographics

An increasing and aging population, along with rapid urbanization, is affecting existing transportation infrastructure around major cities. With the aging population, demand is increasing to ensure that medically at risk drivers are safe while maintaining mobility, where possible. Due to health concerns, seniors may no longer be able to drive to access the health services they need. Demand for accessible transportation for seniors will increase.

8. Support Cross-Ministry Initiatives

Transportation will continue to participate in and contribute to many priority policy, key administrative, and emerging Cross-Ministry Initiatives to support the government's core businesses.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. New Fiscal Framework

Linkage:
Goals 1 and 2

Public-private partnerships (P3s), such as the southeast Edmonton ring road, will become increasingly important in light of current fiscal trends, and balancing the needs of Albertans for transportation against other public programs.

2. Increasing Traffic Volumes

Linkage:
Goals 1, 2, and 4

Evaluate the recommendations from the review of the Traffic Safety Initiative and lead the development and implementation of an Alberta Traffic Safety Strategy with involvement from partners and stakeholders.

Ensure the Transportation Safety Board is provided with the information and resources it requires to conduct timely, fair, and impartial appeals of departmental decisions concerning road and rail safety.

Enhance provincial highway infrastructure such as the North-South Trade Corridor to accommodate increased traffic volumes and facilitate trade.

3. Environmental Responsibility

Linkage:
Goals 2, 3, 4, and 5

Initiate discussions on the development of Greenhouse Gas (GHG) mitigation-sector covenants in partnership with Environment and provide climate change related information to transportation sector partners.

Participate in, provide input to, and report on development activities related to the provincial government's Climate Change Initiative and Water for Life strategy. Water for Life is a comprehensive, key strategic priority for water and watershed management to ensure safe, secure drinking water; healthy aquatic ecosystems; and reliable, quality water supplies for a sustainable economy.

Plan the development and implementation of the Environmental Management System to integrate environmental considerations into Ministry activities.

4. Aging Infrastructure

Linkage:
Goals 2, 3, and 5

Continue to work with Environment to effectively develop water/wastewater management infrastructure and solutions.

Preserve and prolong the life of provincial highway infrastructure.

Replace aging vehicle inspection stations with joint-use facilities under the Alberta/British Columbia protocol and Memorandum of Understanding.

5. Capital Planning Initiative (CPI)

Linkage:
Goals 2, 3, and 5

Ensure effective management of government owned and supported infrastructure.

Identify and update long-term capital funding requirements for all government owned and supported infrastructure.

Prepare an annual report on the CPI.

6. Technology and Innovation

Linkage:
Goals 1, 2, 3, and 4

Develop and explore innovative strategies, policies, and technology to support Ministry core businesses.

7. Demographics

Linkage:
Goals 1 and 4

Lead the Alberta Driver History Initiative to aid in the effective management of high risk drivers and work with stakeholders to enhance the document management of driver medical reports.

Implement traffic safety programs to address aging driver and other strategies to increase driver safety and reduce traffic collisions, injuries, and fatalities.

8. Support Cross-Ministry Initiatives

Linkage:
Goals 1, 2, 3, 4, and 5

Health Sustainability Initiative

- Contribute to the development and implementation of a provincial injury prevention strategy.

Aboriginal Policy Initiative

- Participate in developing traffic safety strategies appropriate to the needs of the Aboriginal community.
- Continue negotiations with the City of Calgary and Tsuu T'ina Nation to extend Sarcee Trail in Calgary through reserve land.
- Continue to include an Aboriginal content clause for the supply of labour, equipment, or material resources for projects being undertaken on Indian Reserves and Métis Settlements.

Economic Development Strategy

- Continue twinning of the North-South Trade Corridor and development of urban corridors.
- Increase competitiveness through initiatives like the Long Combination Vehicle (LCV) program and minimize delays at border crossings for dangerous goods and other cargo.
- Undertake transportation specific research and development initiatives.
- Participate on the committee supporting the Rural Development Initiative and work towards the achievement of the identified objective of building community capacity and regional economic development.

Alberta Children and Youth Initiative

- Enhance the safety of children through programs and initiatives focussing on child safety seats, bicycle helmets, and other road safety programs aimed at school age children.
- Continue implementation of the Graduated Driver Licensing program to enhance the safety skills of new drivers.

Other Cross-Ministry Initiatives

- Alberta Transportation provides support for other administrative and emerging initiatives including the Service Alberta Initiative, Corporate Human Resource Development Strategy, the Alberta Corporate Service Centre Initiative (ACSC), the Information and Communications Technology (ICT) Strategy, the Federal/Provincial Relations Strategy and Climate Change Initiative.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Manage transportation safety programs

GOAL ONE

Improve driver, vehicle, carrier, road, and rail safety

What it means

Alberta Transportation improves driver, vehicle, carrier, road, and rail safety by ensuring effective driver education services, programs, and licensing standards are in place; managing driver records and problem drivers; implementing impaired driving programs; delivering and enforcing vehicle and commercial carrier safety programs; monitoring the handling and transport of dangerous goods; and overseeing the safe operation of provincial railways.

Strategies

- Develop and implement traffic safety programs and initiatives such as high risk driver, medically at risk driver, aging driver, and other strategies to increase driver safety and reduce traffic collision injuries. This also includes safety programs for snowmobiles, motorcycles, and other vehicles.
- Continue to enhance regulations under the new *Traffic Safety Act* to provide a framework for addressing safety issues and new initiatives aimed at improving driver behaviour and vehicle safety. Programs and initiatives such as the Graduated Driver Licensing Program, Alberta Children and Youth Initiative, and the Child Traffic Safety Program, support the idea of increasing safety for young drivers and future road users.
- Provide direction and input related to road safety issues to the Alberta Centre for Injury Control and other provincial stakeholders as part of the development and implementation of a provincial injury prevention strategy.
- Work with industry and other stakeholders to improve commercial driver competency through driver training initiatives, hours of service regulation, fatigue management counter measures, and sharing of commercial driver profiles with other jurisdictions.
- Continue to implement a new program that licenses private sector mechanics and their facilities to inspect and repair out of province and written-off vehicles to ensure only mechanically safe vehicles are registered for use on Alberta's roads.
- Implement required changes to provide for the safe operation of railways under provincial jurisdiction as covered by the *Railway (Alberta) Act*, and support the participation of local authorities in a safety improvements program offered by Transport Canada for rail crossings on local roads.
- Undertake safety audits at the highway planning and design stage to ensure overall integration of geometrics, traffic signals, pavement markings, and other specialties, and identify rest area and roadside turnout needs in conjunction with highway improvements.
- Explore opportunities to deploy intelligent transportation systems, including dynamic message signs and road weather information systems, to address highway safety issues.
- Pursue initiatives under Road Safety Vision 2010, Canada's national road safety strategy, to ensure Alberta will meet national goals and sub-targets.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Mechanical Safety of Commercial Vehicles				
a) Percentage of Inspected Vehicles Requiring On-Site Adjustments	20.3	24.6	24.2	23.9
b) Percentage of Inspected Vehicles Requiring Attention of a Mechanic	3.6	4.5	4.3	4.1
Involvement of Commercial Vehicles in Casualty Collisions				
Percentage of Commercial Vehicles Involved in Casualty Collisions*	New		To be determined	
Seat Belt Usage				
a) Percentage of Vehicle Occupants Wearing Seat Belts - Alberta**	n/a	n/a	85.5	n/a
b) Percentage of Vehicle Occupants Wearing Seat Belts - Rural**	77.3	77.5	n/a	77.8
Involvement of Drinking Drivers in Casualty Collisions				
a) Percentage of Drinking Drivers in Fatal Collisions in Alberta	20.7	20.0	19.9	19.7
b) Percentage of Drinking Drivers in Injury Collisions in Alberta	4.4	4.7	4.7	4.6

* (Measure under development) - Transportation is currently reviewing the Road Safety Vision 2010 sub-target which aims at a 20% decrease in road users killed or seriously injured in collisions involving commercial vehicles. The objective will be to develop a baseline and target that will be compatible with this national sub-target.

** Transport Canada has changed the seat belt survey. Starting in 2002, the report on overall and rural Alberta surveys will be alternating. The 2002 year saw results for the rural area and will next appear in 2004 and 2006. The Overall Survey for Alberta will commence in 2003 and be repeated in 2005. Road Safety Vision 2010 aims to achieve a national seat belt compliance rate of 95% by 2010.

Core Business Two: Manage the provincial highway network

GOAL TWO

Improve the safety, efficiency, and effectiveness of provincial highway infrastructure

What it means

Improve the provincial highway infrastructure by efficiently managing highway planning, design, construction, maintenance, and rehabilitation; developing standards for provincial highways; and enforcing commercial carrier weights and dimensions. Lead the Capital Planning Initiative and develop strategic economic trade corridors such as the North-South Trade Corridor, the southeast ring road in Edmonton, and the Stoney Trail in Calgary.

Strategies

- Continue to implement a state of the art Transportation Infrastructure Management System (TIMS).
- Apply innovative approaches and techniques to improve highway design, construction, and preservation, including continued research on safety, engineering, and intelligent transportation systems.
- Promote the Alberta Advantage and tourism, in co-operation with industry and government stakeholders, by developing highway signs enabling tourists to identify and locate Alberta's major tourist attractions.

- Manage and maintain the road and bridge infrastructure in Provincial Parks, which was transferred from Community Development.
- Lead the cross government Capital Planning Initiative in partnership with Infrastructure to ensure long term capital plans and effective infrastructure management systems are in place, alternative financing options such as public-private partnership (P3) opportunities are considered, and performance of existing infrastructure is measured.
- Address the amount of deferred preservation of the provincial highway network. Estimated deferred preservation up to March 2004, is $900 million.
- Monitor, enforce, and manage truck weight and dimension limits on provincial highways.
- Review and update national highway safety standards in co-operation with other provinces.
- Pursue construction of the Edmonton southeast ring road, for completion by 2007, using a Design Build Finance Operate (DBFO) procurement model as a delivery option.
- Develop a joint use vehicle inspection station with British Columbia under the Bilateral Alberta/British Columbia Protocol and Memorandum of Understanding.
- Develop the Provincial Freeway Corridor Management Plan to accommodate long term development alongside roadways, access management, and maintain rights-of-way.
- Plan the development and implementation of the Environmental Management System; a system of policies, procedures, and practices designed to identify and manage the environmental impacts associated with the Ministry's products, services, and activities.
- Implement the Road Weather Information System (RWIS) to share road condition data with Alberta travelers and improve road maintenance response to severe storms.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Physical Condition of Provincial Highways [1]				
a) in good condition	65.8	62.0	61.0	59.5
b) in fair condition	23.0	24.0	24.0	24.0
c) in poor condition	11.2	14.0	15.0	16.5
Utilization of Provincial Highways				
Percentage of Provincial Highways that Accommodate Current Traffic Volumes to the Required Level of Service	99.8	99.0	99.0	99.0
Functional Adequacy of Provincial Highways [2]				
Percentage of Provincial Highways that are Not Subject to Weight Restrictions and Meet Current Engineering Standards	80.1	80.0	79.8	79.5
Construction Progress on the North-South Trade Corridor				
Percentage of Four-Laning Open to Travel	78.3	84.0	88.0	90.0
Ring Roads in Edmonton and Calgary				
Percentage of Ring Roads Open to Travel	18.2	22.0	25.0	26.0

[1] Improving the target for the "physical condition of provincial highways in poor condition" by 1% would cost approximately $60 million.

[2] Improving the target for the "functional adequacy of provincial highways" by 1% would cost approximately $170 million.

Core Business Three: Develop and preserve water management infrastructure

GOAL THREE

Ensure safe and effective water management infrastructure on behalf of Alberta Environment

What it means Continue to work with Environment in effectively developing and maintaining water management infrastructure.

Strategies

- In conjunction with Environment, develop a multi-year rehabilitation program for Alberta Northern Erosion Control Program projects.
- Complete the construction of major projects and continue the rehabilitation of the Carseland/Bow River Headworks.
- Develop a program to rehabilitate provincially supported water drainage infrastructure.
- Rehabilitate and maintain the provincially owned water management infrastructure through efficient planning and resource allocation.
- Ensure environmental practices are integrated into both short term and long term planning processes.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Progress on Completion of Major Water Management Construction Projects				
Percentage of Carseland/Bow River Headworks Rehabilitation Completed	5	19	27	45

Core Business Four: Represent Alberta's interests in transportation policy

GOAL FOUR

Work with stakeholders and other jurisdictions to develop and promote policies in support of efficient transportation (road, air, rail, and port)

What it means Partner with other governments, jurisdictions, and stakeholders to develop a national transportation strategy; harmonize driver standards, dangerous goods and rail safety, commercial carrier standards; continue barrier free transportation initiatives, and improve financing and regulatory issues related to transportation. Develop a Strategic Transportation Vision that will provide a long term (up to 30 year) view of transportation in Alberta and western Canada, taking into account projected urban and rural growth patterns, safety, resource development, and intelligent transportation systems research and planning. Support Cross-Ministry Initiatives.

Strategies

- Work with stakeholders and municipalities to ensure appropriate transportation infrastructure investment to maintain efficient and integrated networks and supply chains.
- Encourage other jurisdictions to adopt harmonized truck weights and dimensions and implement international cargo securement standards.
- Develop access routes and inter-modal trade corridors such as the CANAMEX Corridor (CANada/AMerica/MEXico) to better connect Alberta shippers to the United States and other world markets.

- Contribute to British Columbia's Port Strategy, and provide input and support to the Prince Rupert/Northern Corridor initiative headed by Economic Development.
- Monitor CN's takeover of BC Rail as it relates to Alberta shippers.
- Participate along with Economic Development in the review of provincial shortline railway infrastructure investment needs.
- Conduct follow up analyses on the Container Study to identify potential initiatives in developing container traffic services.
- Participate on the Council of Western Transportation Ministers to develop and implement strategies to address western transportation issues.
- Support the Aboriginal Policy Initiative by providing opportunities to Aboriginal people to participate in Ministry projects undertaken on their lands and assisting Aboriginal communities to develop traffic safety strategies appropriate to their needs.
- Participate in, provide input into and report on development activities related to the water strategy and climate change initiatives.
- Provide climate change related information to transportation sector partners.
- Initiate discussions toward the development of Greenhouse Gas (GHG) mitigation sector covenants for the trucking and heavy construction sectors in partnership with Environment.
- Lead the Alberta Advisory Committee on Barrier Free Transportation to develop strategies to improve access to transportation facilities and systems for people with disabilities, and continue to work with municipalities to implement strategies at the local level.
- Continue to implement the Intelligent Transportation Systems (ITS) Strategic Plan and explore opportunities for using ITS to improve the safety and efficiency of the provincial transportation network and logistics at international border crossings.
- Collaborate with the aviation industry to provide input to the national aviation strategy.
- Partner with Canadian and American governments and the State of Montana to complete the new joint border-crossing facility at Coutts/Sweetgrass.
- Share Road Weather Information System (RWIS) data with British Columbia and travelers through dynamic message signs.
- Work with the federal government to deliver the Strategic Highway Infrastructure Program (SHIP) and the Canada Strategic Infrastructure Fund (CSIF).

Performance Measure	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Barrier Free Transportation (Measure under development)	New		To be determined	

Core Business Five: Partner with municipalities

GOAL FIVE

Support municipal transportation and safe water/wastewater infrastructure

What it means Provide funding for eligible municipal transportation infrastructure and participate with municipalities and communities in federal infrastructure funding programs. Provide funding for eligible municipal water/wastewater facilities through the Alberta Municipal Water/Wastewater Partnership, focusing on addressing health and environmental concerns as a top priority.

Strategies

- Continue to provide the cities of Edmonton and Calgary with annual funding for transportation projects based on five cents per litre of fuel delivered within their boundaries.
- Provide other cities Basic Capital Grant funding of $60 per capita to support local transportation needs.
- Continue to provide cities (other than Edmonton and Calgary) with Cities Special Transportation Grant (CSTG) funding to address transportation growth pressures.
- Provide grant funding through the Streets Improvement Program (SIP), whereby towns, villages, summer villages, and eligible hamlets may receive $60 per capita for lasting capital street improvements and replacing underground water and sewer lines.
- Administer the Resource Road Program to assist rural municipalities, towns, and villages impacted by resource and new industry based traffic.
- Provide rural municipalities, including Métis Settlements, with funding under the Rural Transportation Partnership to assist with the upgrade of local roads and bridges.
- Continue working with the federal and municipal governments to deliver the Infrastructure Canada/Alberta Program (ICAP), that provides funding for "green" and other municipal infrastructure and develop criteria with the federal government for the Municipal Rural Infrastructure Fund (MRIF).
- Assist municipalities with the construction of water supply, water treatment, and wastewater treatment and disposal facilities, through Alberta Municipal Water/Wastewater Partnership (AMWWP) funding consistent with the Cross-Ministry Water for Life Strategy.

Performance Measure	Last Actual (2001-02)	Target 2004-05	Target 2005-06	Target 2006-07
Municipal Client Satisfaction - Percentage of Municipal Clients Satisfied with Overall Quality of Service	85	n/a	85	n/a

Client satisfaction survey is conducted every second year. The next survey is being conducted in January 2004. Percentage of clients responding "somewhat satisfied," "satisfied," and "very satisfied" on balanced 6-point scale (1 is "very unsatisfied," 6 is "very satisfied").

CORPORATE INITIATIVES

The Ministry is pursuing a range of corporate initiatives to improve the efficiency and effectiveness of departmental staff in carrying out our core businesses, processes, and programs.

- Develop a Strategic Plan to guide Ministry activities for the next 10 years and beyond.
- Develop an accountability framework to facilitate the achievement of business plan goals, and measure results against established targets.
- Implement innovative and responsive human resource programs and services to ensure a highly competent workforce in the Ministry and the organizational capacity to respond to changes and business plan priorities.
- Support the development of transportation information management systems that enhance the decision making of all Ministry staff.
- Develop, implement, and maintain strategic communications plans and products for Ministry initiatives to ensure effective communication with Albertans.
- Develop an effective, clear, unified, and coherent legislative framework for the Ministry.
- Evaluate and finalize the development of a Business Resumption Plan for the Ministry.

EXPENSE BY CORE BUSINESS
(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Manage transportation safety programs	32,538	33,254	33,659	34,792	33,772	33,772
Manage the provincial highway network	492,839	559,491	565,491	609,753	602,874	592,974
Develop and preserve water management infrastructure	2,897	2,980	2,980	3,045	3,015	3,015
Represent Alberta's interests in transportation policy	3,305	3,473	3,473	3,548	3,528	3,528
Partner with Municipalities	141,553	289,920	267,420	387,594	372,143	353,543
MINISTRY EXPENSE	673,132	889,118	873,023	1,038,732	1,015,332	986,832

CAPITAL INVESTMENT BY CORE BUSINESS
(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Manage transportation safety programs	3,813	4,600	4,600	4,600	4,820	4,820
Manage the provincial highway network	283,497	365,780	370,780	463,600	475,700	491,600
Develop and preserve water management infrastructure	37,717	34,450	29,450	30,450	30,480	30,480
Partner with Municipalities	1,769	2,250	2,250	2,250	2,400	2,400
MINISTRY CAPITAL INVESTMENT	326,796	407,080	407,080	500,900	513,400	529,300

MINISTRY STATEMENT OF OPERATIONS
(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	65,000	95,000	95,000	160,000	180,000	200,000
Transfers from Government of Canada	1,596	9,400	5,280	60,300	53,819	78,500
Premiums, Fees and Licences	14,832	11,475	13,735	11,220	11,220	11,220
Other Revenue	11,073	2,695	2,720	1,265	1,265	1,265
MINISTRY REVENUE	92,501	118,570	116,735	232,785	246,304	290,985
EXPENSE						
Program						
Provincial Highway Systems	250,257	276,787	282,787	313,282	296,982	287,082
Transportation Safety Services	25,203	26,423	26,828	27,886	27,086	27,086
Municipal Partnerships	129,216	266,700	250,200	355,300	340,000	334,400
Infrastructure Canada / Alberta Program	6,837	18,000	12,000	27,000	27,000	14,000
Transportation Safety Board	923	1,004	1,004	1,023	1,023	1,023
Support Services	56,522	56,204	56,204	57,241	56,241	56,241
Amortization	185,210	219,000	219,000	232,000	242,000	242,000
Consumption of Inventories	18,964	25,000	25,000	25,000	25,000	25,000
MINISTRY EXPENSE	673,132	889,118	873,023	1,038,732	1,015,332	986,832
Gain (Loss) on Disposal and Write Down of Capital Assets	(6,765)	-	-	-	-	-
NET OPERATING RESULT	(587,396)	(770,548)	(756,288)	(805,947)	(769,028)	(695,847)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	92,501	118,570	116,735	232,785	246,304	290,985
Inter-ministry consolidation adjustments	(65,751)	(95,000)	(95,000)	(160,000)	(180,000)	(200,000)
Consolidated Revenue	26,750	23,570	21,735	72,785	66,304	90,985
Ministry Program Expense	673,132	889,118	873,023	1,038,732	1,015,332	986,832
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**673,132**	**889,118**	**873,023**	**1,038,732**	**1,015,332**	**986,832**
Gain (Loss) on Disposal and Write Down of Capital Assets	(6,765)	-	-	-	-	-
Inter-ministry consolidation adjustments	751	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(652,396)	(865,548)	(851,288)	(965,947)	(949,028)	(895,847)

CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Provincial Highway Systems	157,994	152,900	144,400	165,700	121,600	137,000
Strategic Economic Corridor Investment Initiative	119,648	205,180	218,680	290,200	345,800	346,300
Water Management Infrastructure	37,363	34,000	29,000	30,000	30,000	30,000
Support Services	11,791	15,000	15,000	15,000	16,000	16,000
MINISTRY CAPITAL INVESTMENT	326,796	407,080	407,080	500,900	513,400	529,300